

„In Gold we Trust“!

Jim Rickards Discussing The Highlights of The In Gold We Trust Report 2017



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About The „In Gold we Trust“ Report

- The gold standard of gold-research: Extensive annual study of gold and gold-related capital market developments
- Reference work for everybody interested in gold and mining stocks
- International recognition – newspaper articles in more than 60 countries, more than 1.2 mn. readers already
- German and English versions, Available in a Compact and Extended version
- Published for the 11th time in 2017
- All information can be found at:
www.ingoldwetrust.report



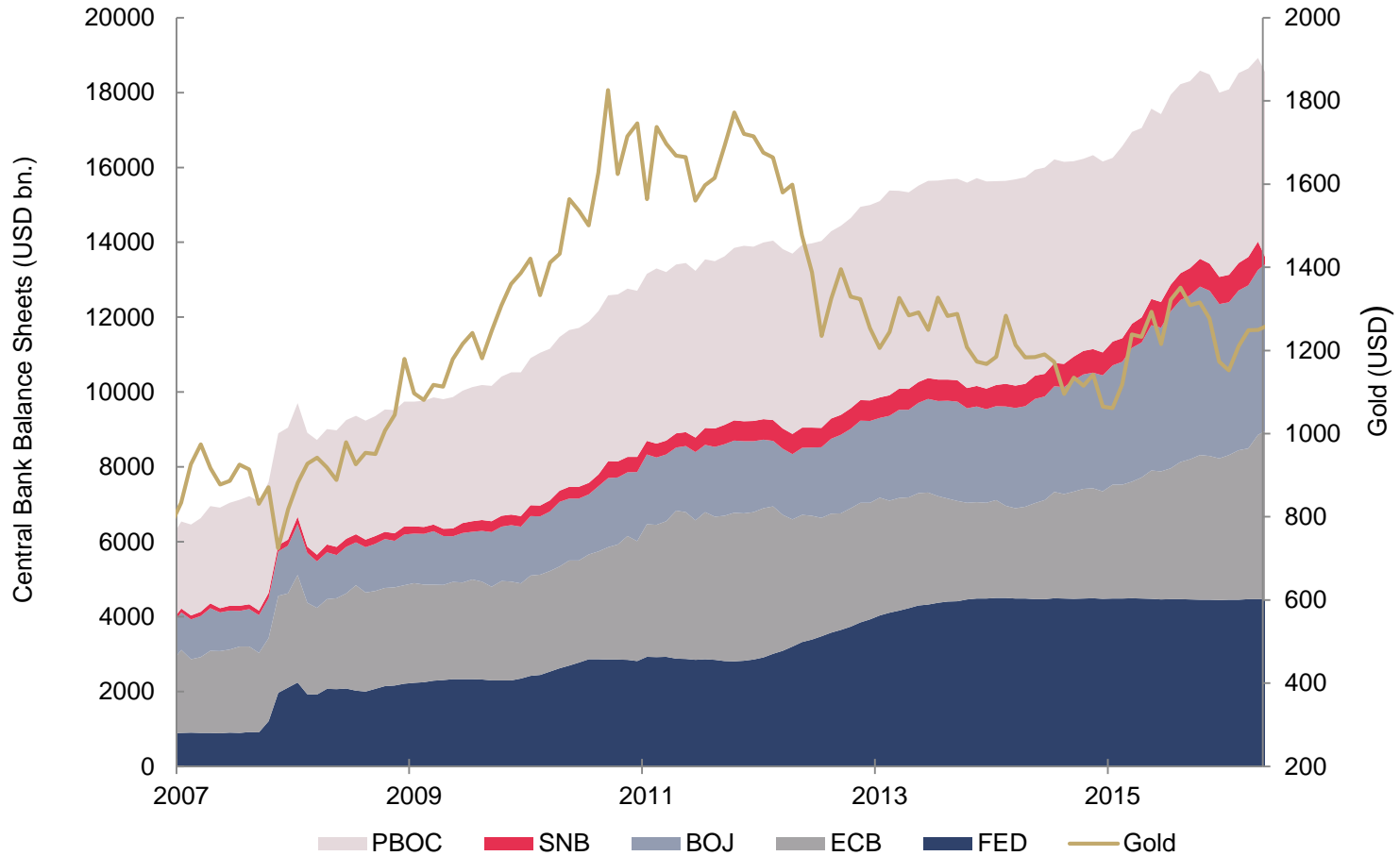
Executive Summary

- High expectations of Trump's growth policy dampened the gold price increase in 2016 – Still up 8.5% in 2016 and 8.2% since Jan. 2017
- The further development of the normalization of monetary policy in the US is the litmus test for the US economy and it is decisive for how the gold price will develop
- If the normalization of monetary policy doesn't succeed, gold will pick up momentum
- Further US dollar weakness and higher commodity strength are likely to lead to higher inflation and stagflation
- Exclusive Interview with Dr. Judy Shelton – Economic advisory to Donald Trump about a possible remonetisation of gold
- 5 Reasons why the gold bull market will continue
- Mining stocks continue to be highly interesting

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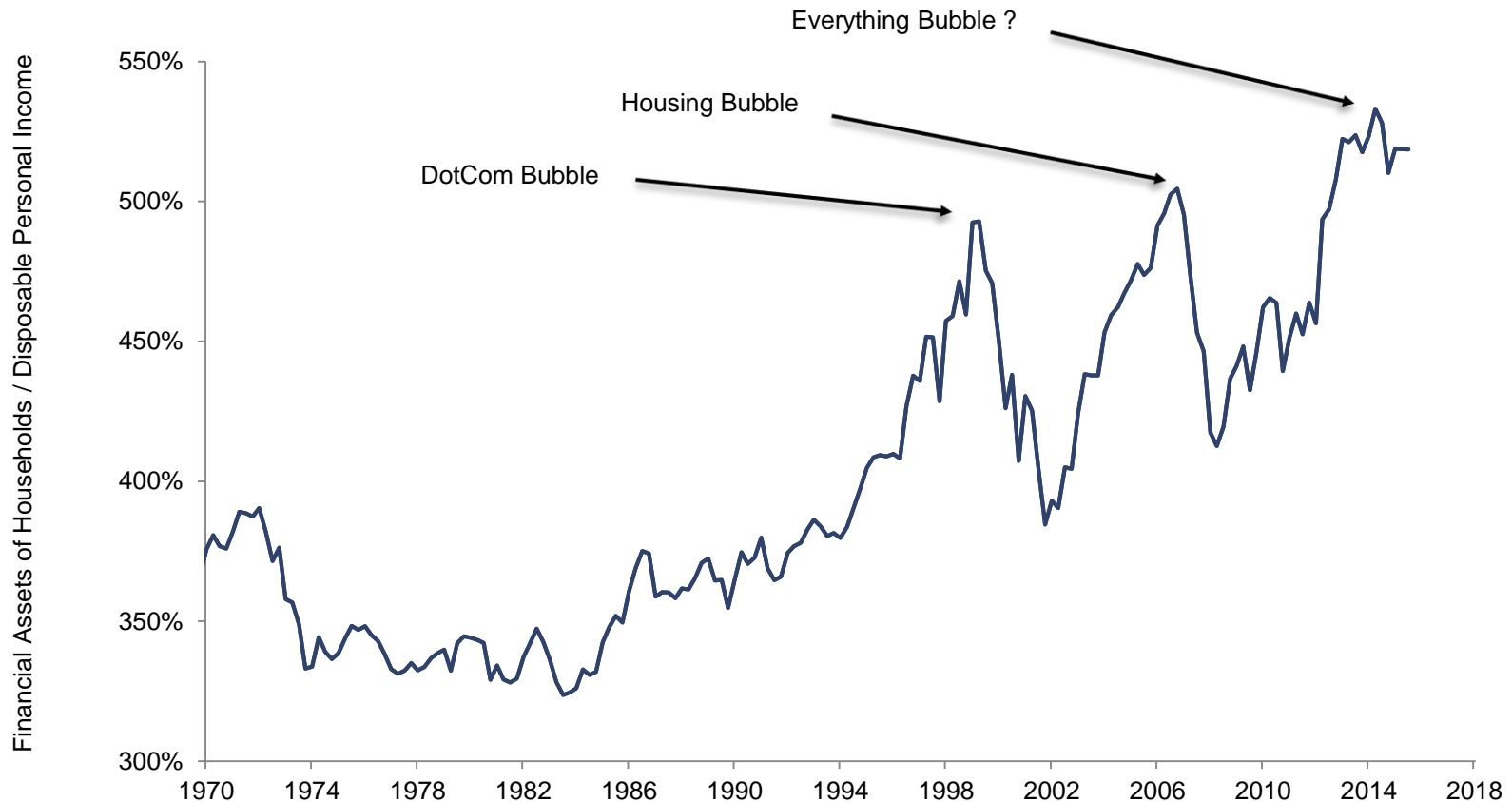
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Monetary Surrealism: Combined Balance Sheet Of Major Central Banks Gold Price Since 2007



Source: Bloomberg, Incrementum AG

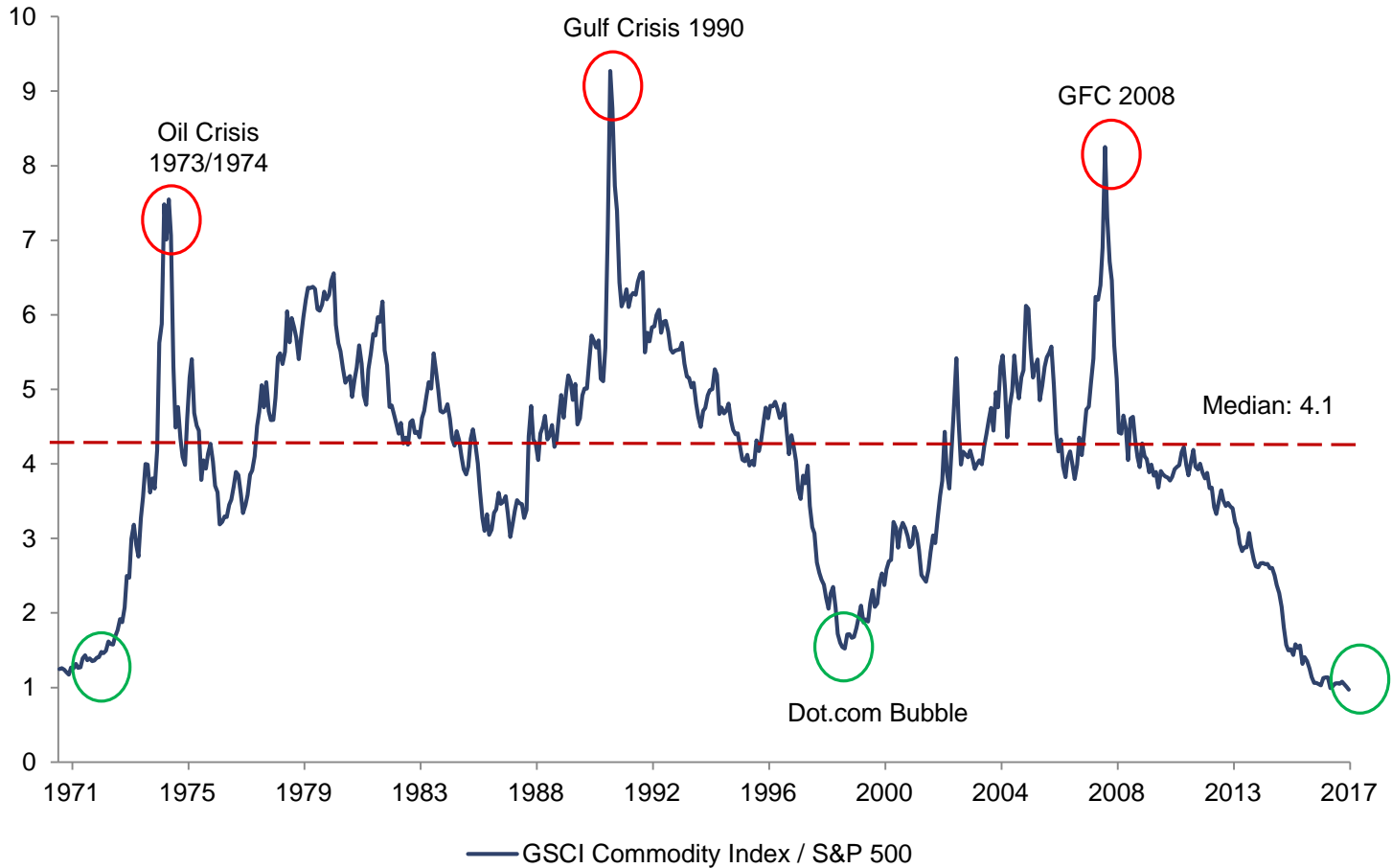
Welcome To The „Everything Bubble“



Source: Jesse Felder, Bloomberg, Incrementum AG

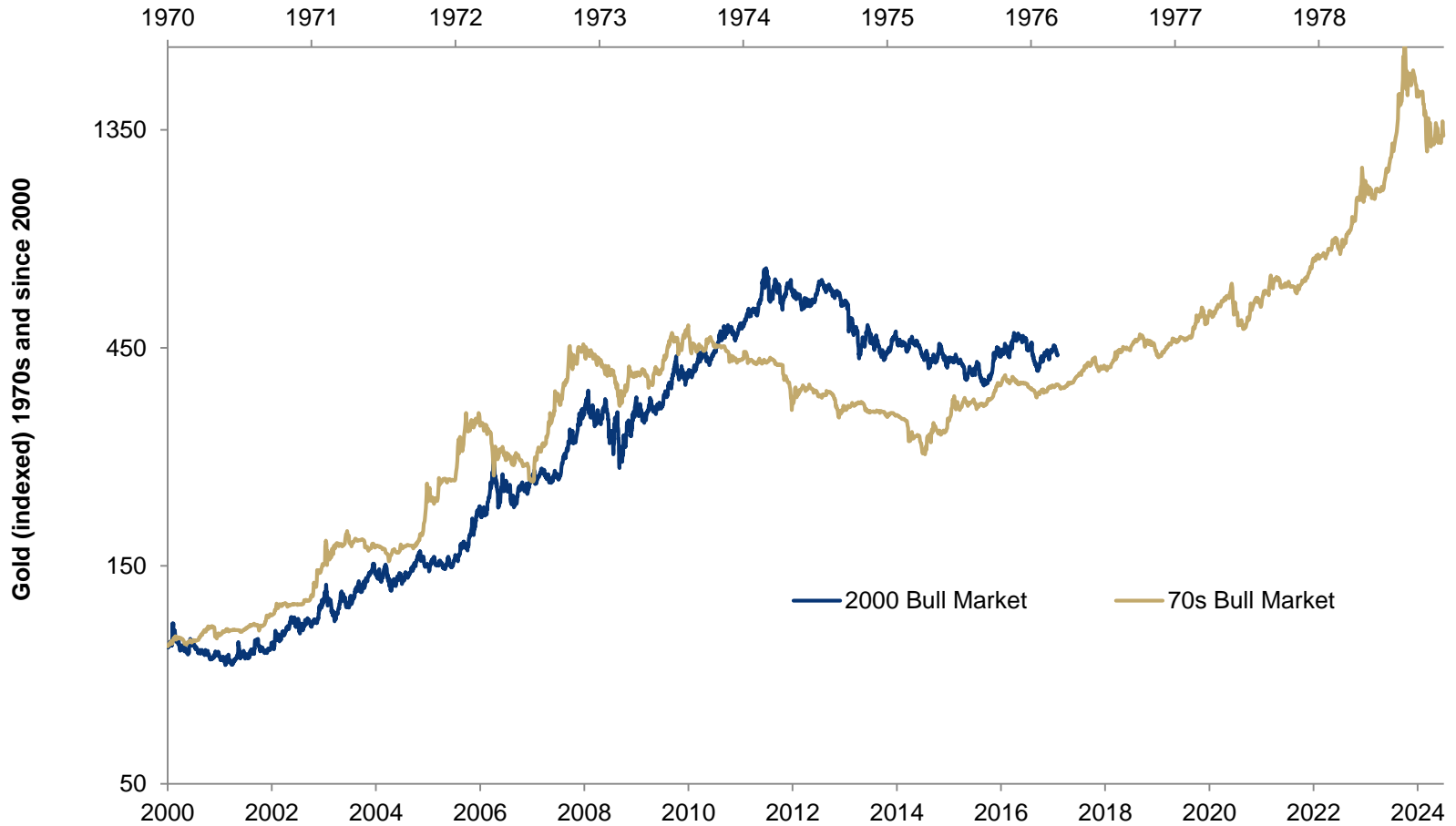
Commodities vs. Stocks

Lowest Relative Valuation Since 1999

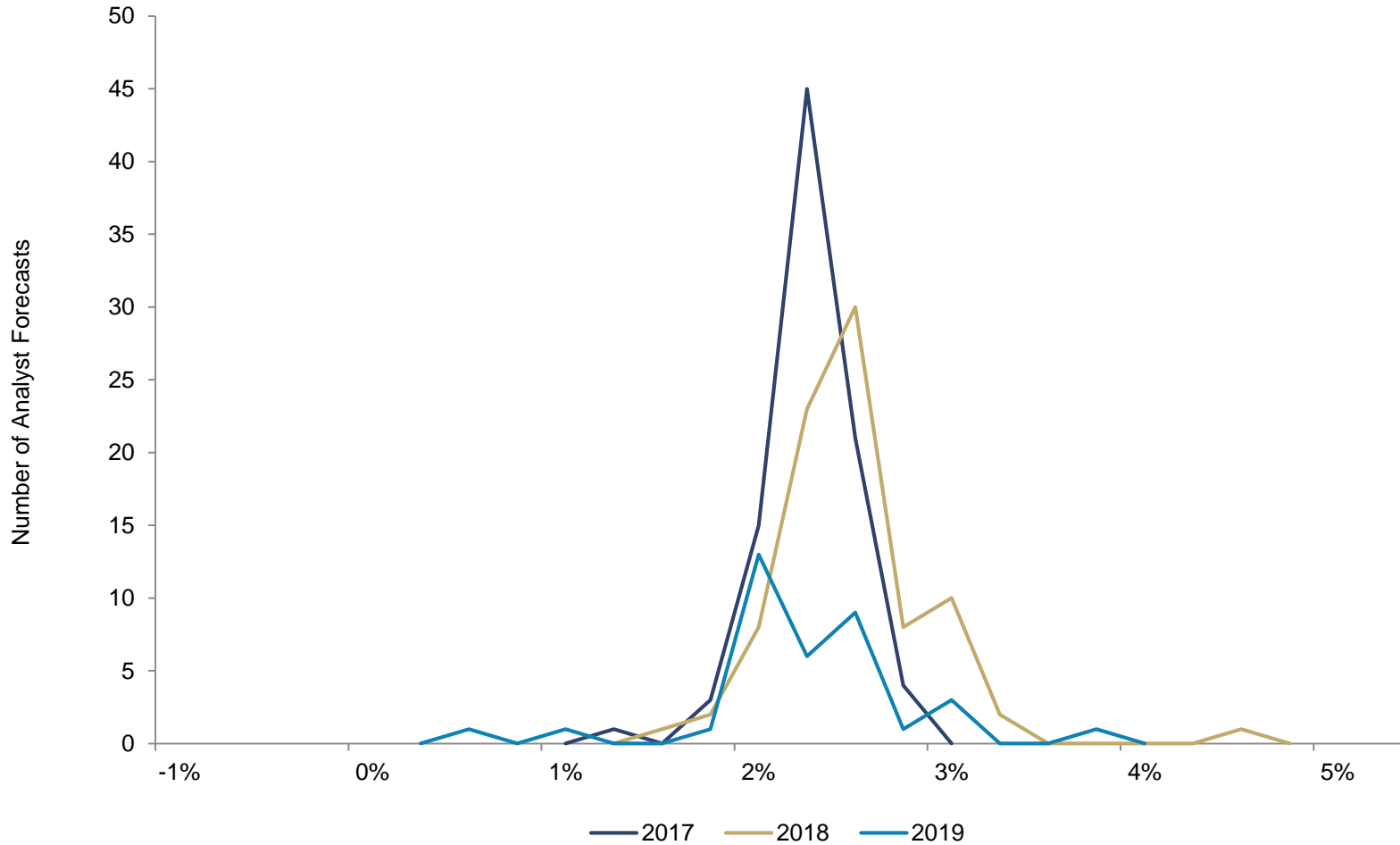


Source: Bloomberg, Incrementum AG

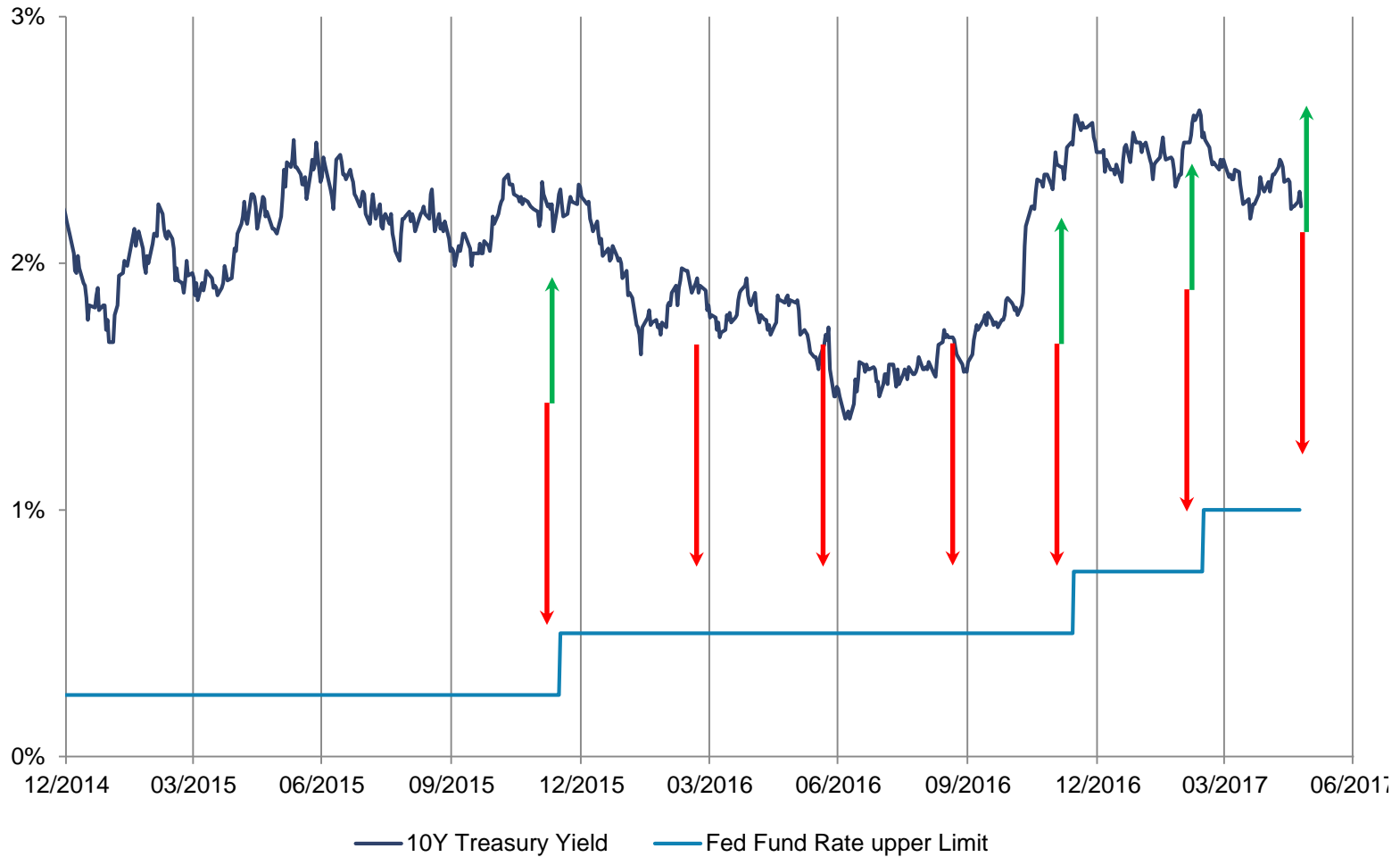
Bull Markets In Comparison



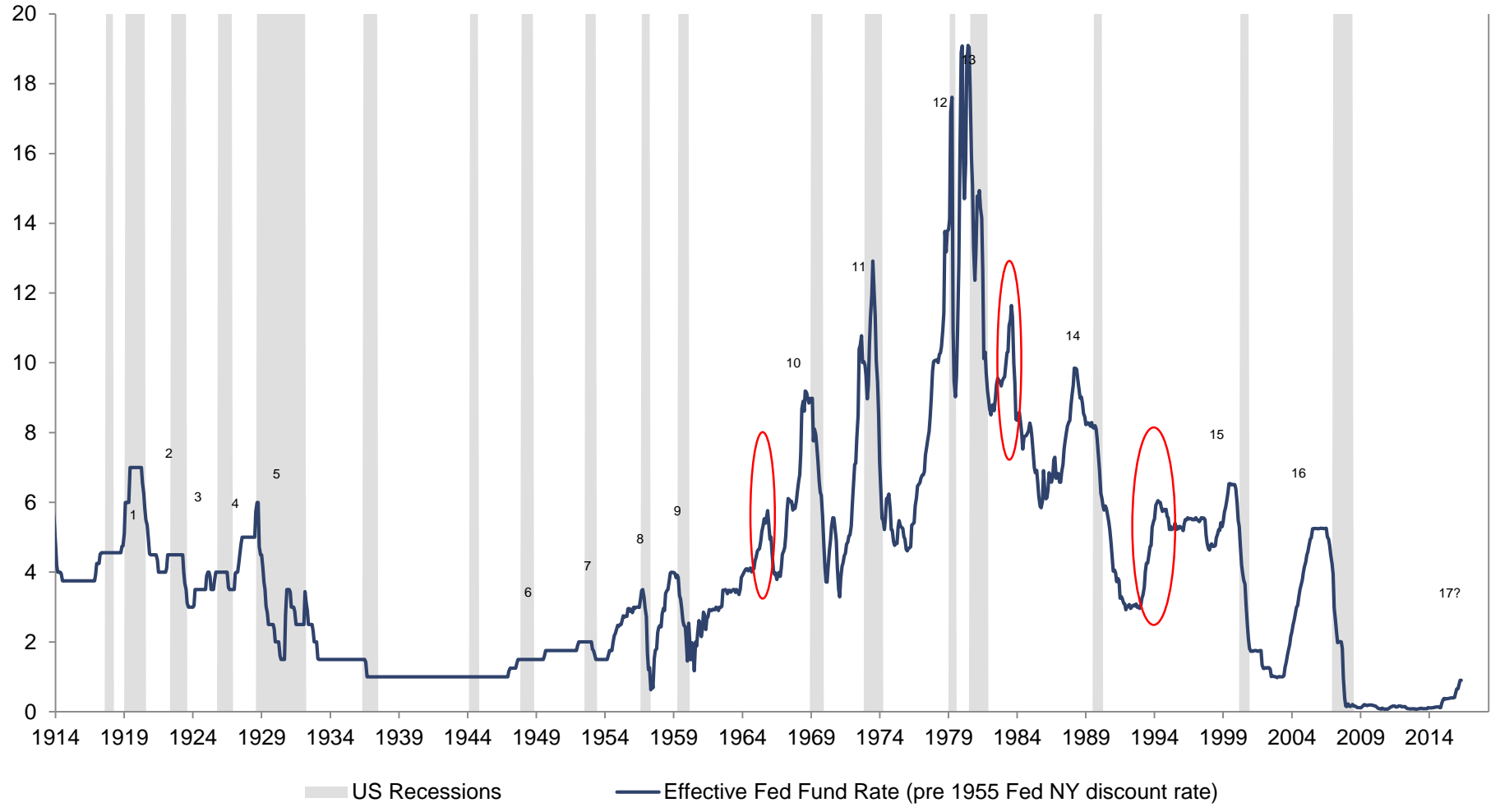
A Black Swan? Zero Analysts See Recession



Recession 2018? Flattening Yield Curve Problematic For FED Hiking?

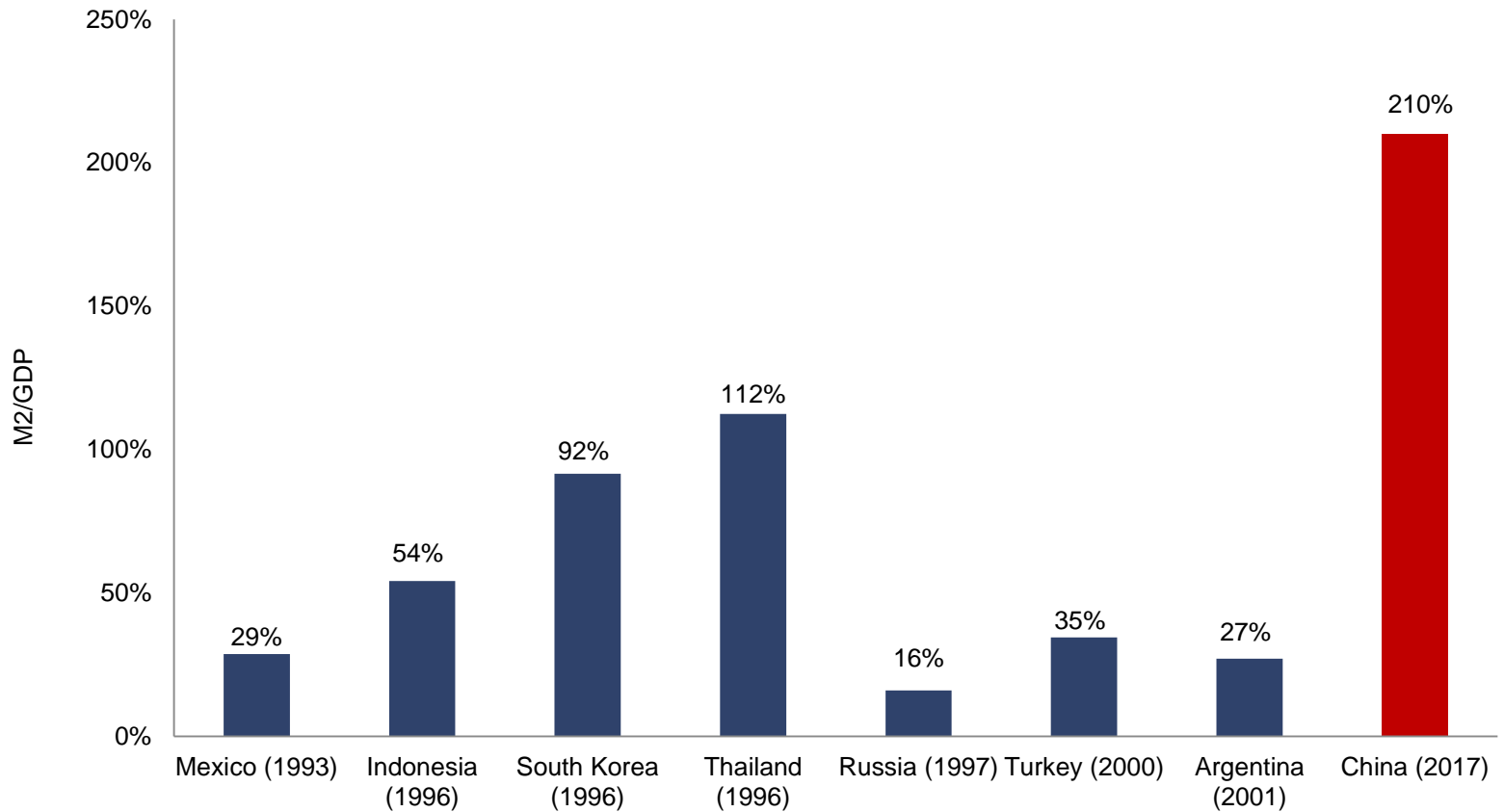


Rate Hike Cycles And Following Recessions



Source: Federal Reserve St. Louis, Incrementum AG

Other Grey Swans: High Leverage

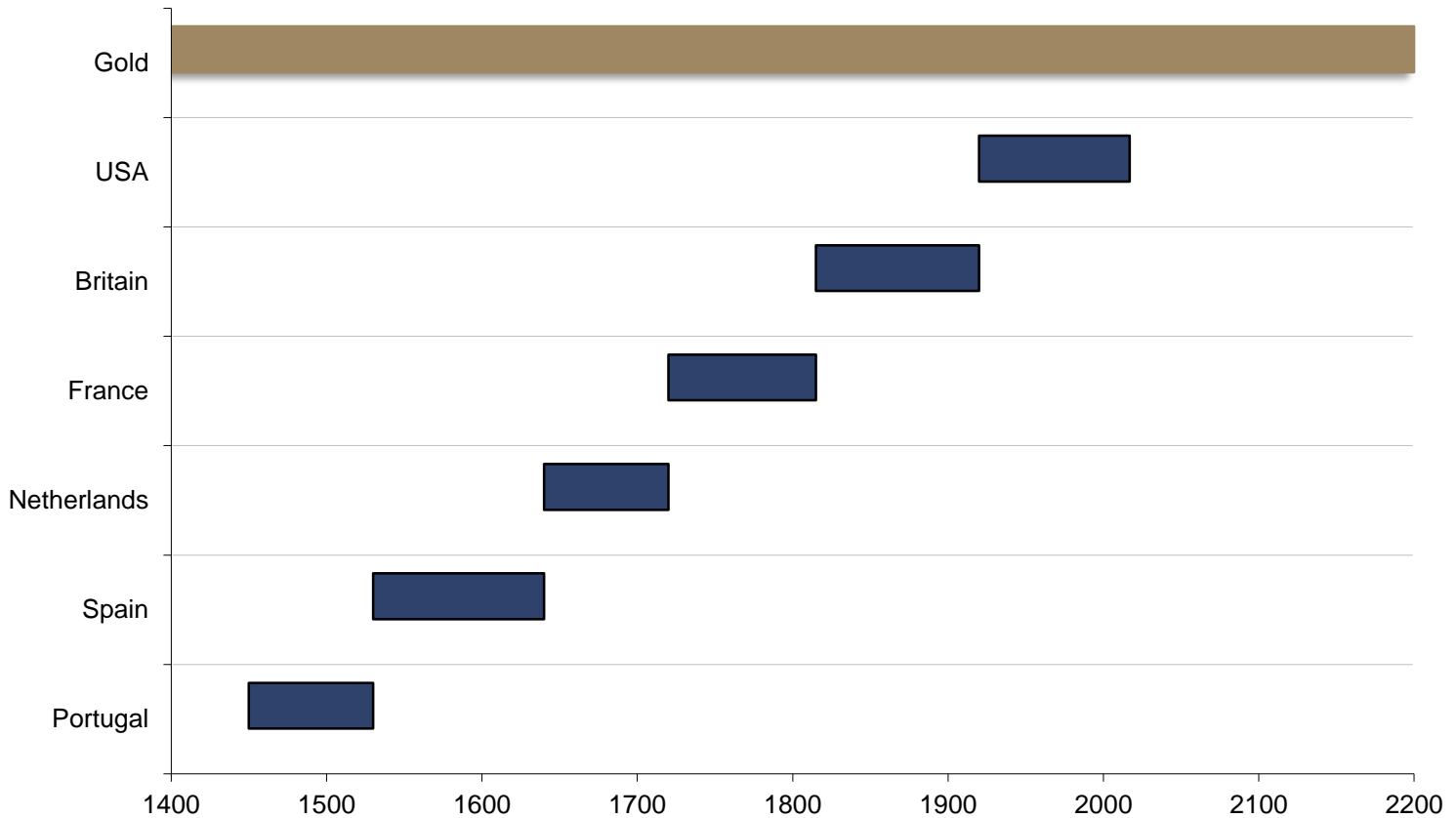


Gray Swans And Their Possible Effect On Gold

Gray Swan	Influence on USD	Expected Influence on Gold (in USD)	Expected Influence on inflation
Stagflation	Depreciation	positive	inflationary
Credit crisis in China	Appreciation	positive	uncertain
Political crisis in the US	Depreciation	positive	uncertain
Geopolitical escalation	Uncertain	positive	inflationary
Hyper deflation	Appreciation	negative	deflationary
Inflationary boom	Depreciation	strongly positive	inflationary
Monetary reset	Depreciation	strongly positive	inflationary

De-Dollarization: Good-Bye Dollar, Hello Gold?

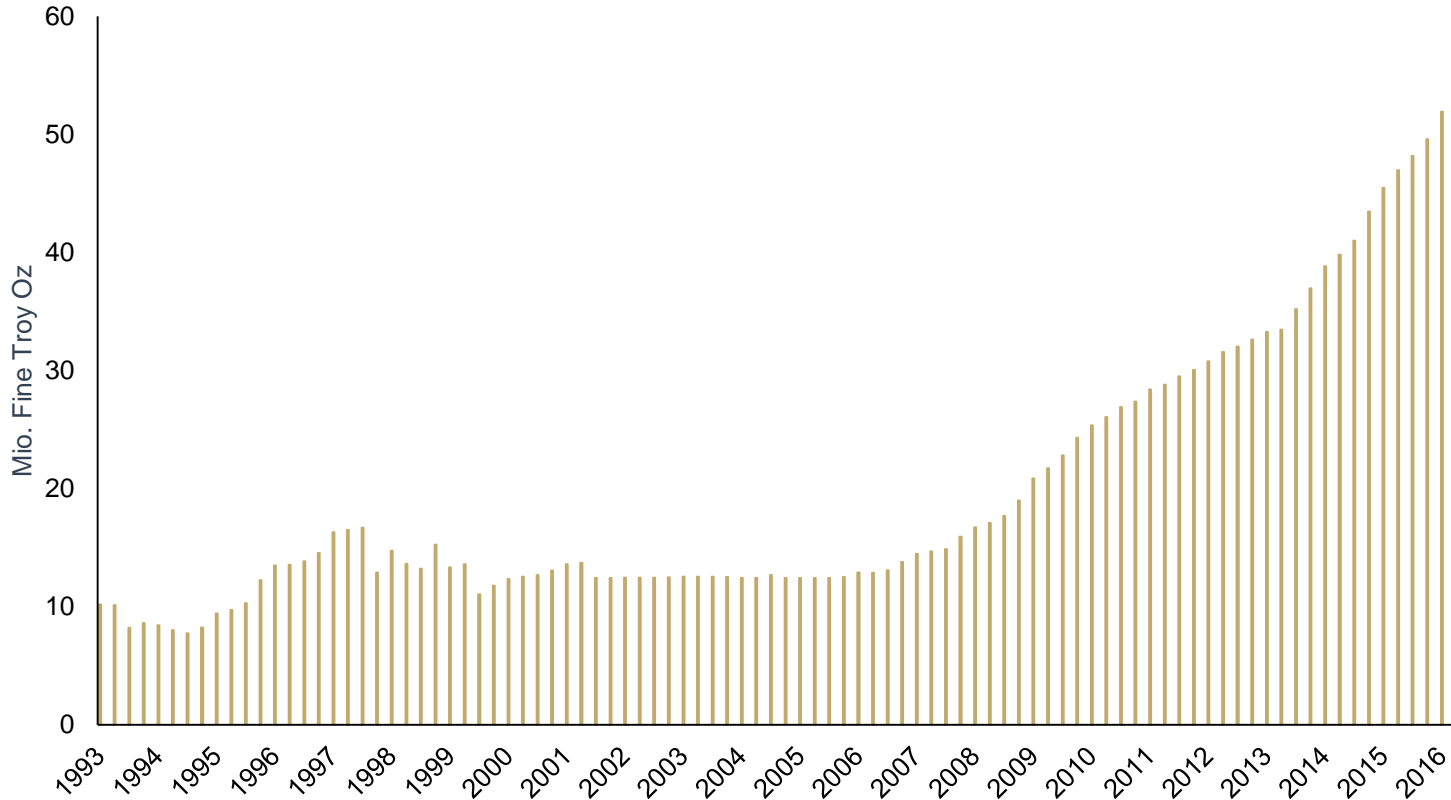
Global Reserve Currencies Since 1400



Source: Bloomberg, Incrementum AG

De-Dollarization: Good-Bye Dollar, Hello Gold?

Russian Gold Reserves (Mio. troy oz)



Source: Bloomberg, Incrementum AG

An Exclusive Interview With Dr. Judy Shelton



Source: www.atlasnetwork.org

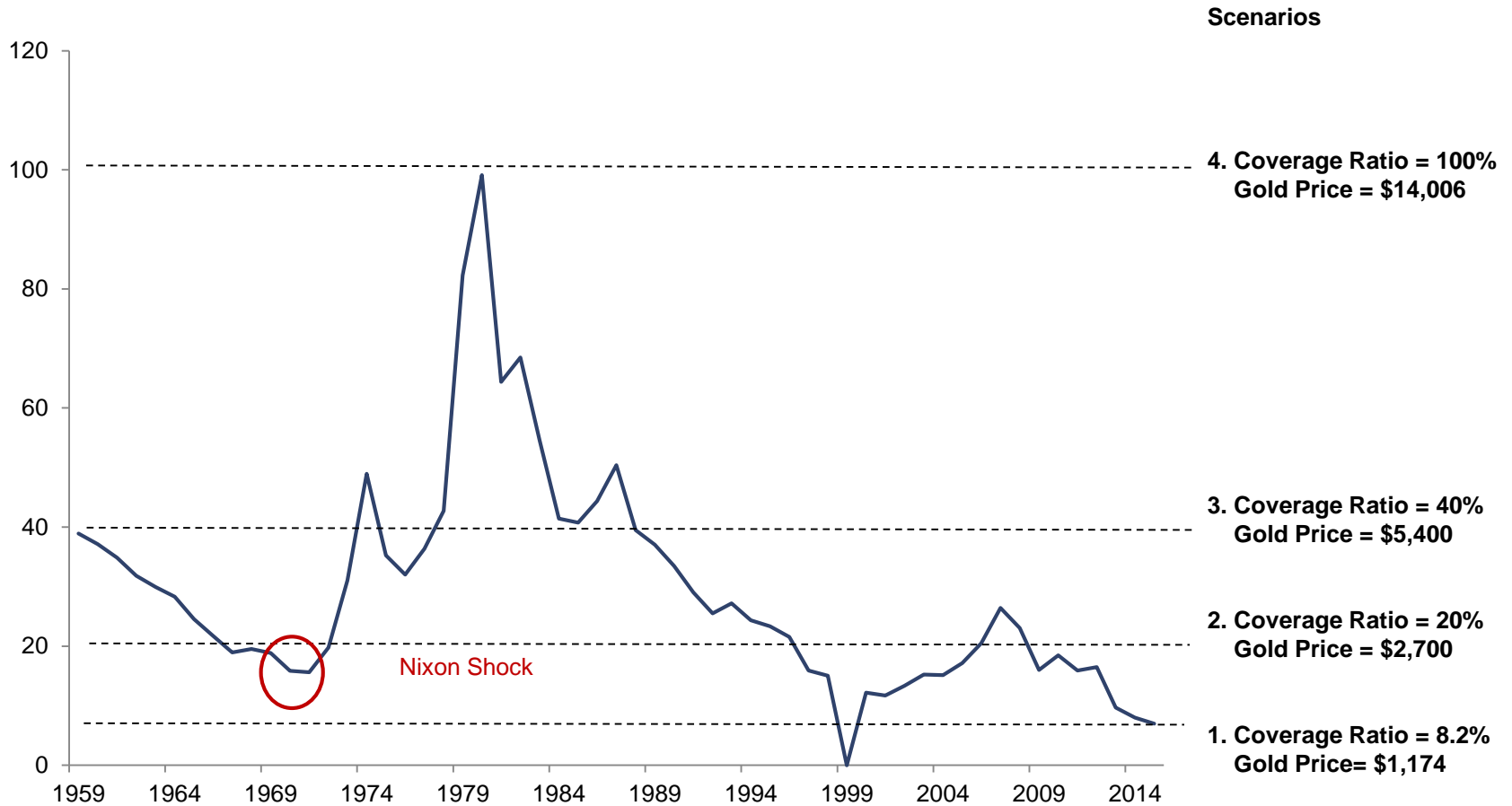
"If the United States would take this first step toward linking the dollar to gold, it would send a signal of America's commitment to restoring the integrity of the dollar as a meaningful unit of account and reliable store of value."

"An increasingly broader group of countries and successively larger set of gold-linked offerings should lead to greater monetary stability and effectively, fixed exchange rates among participating currencies".

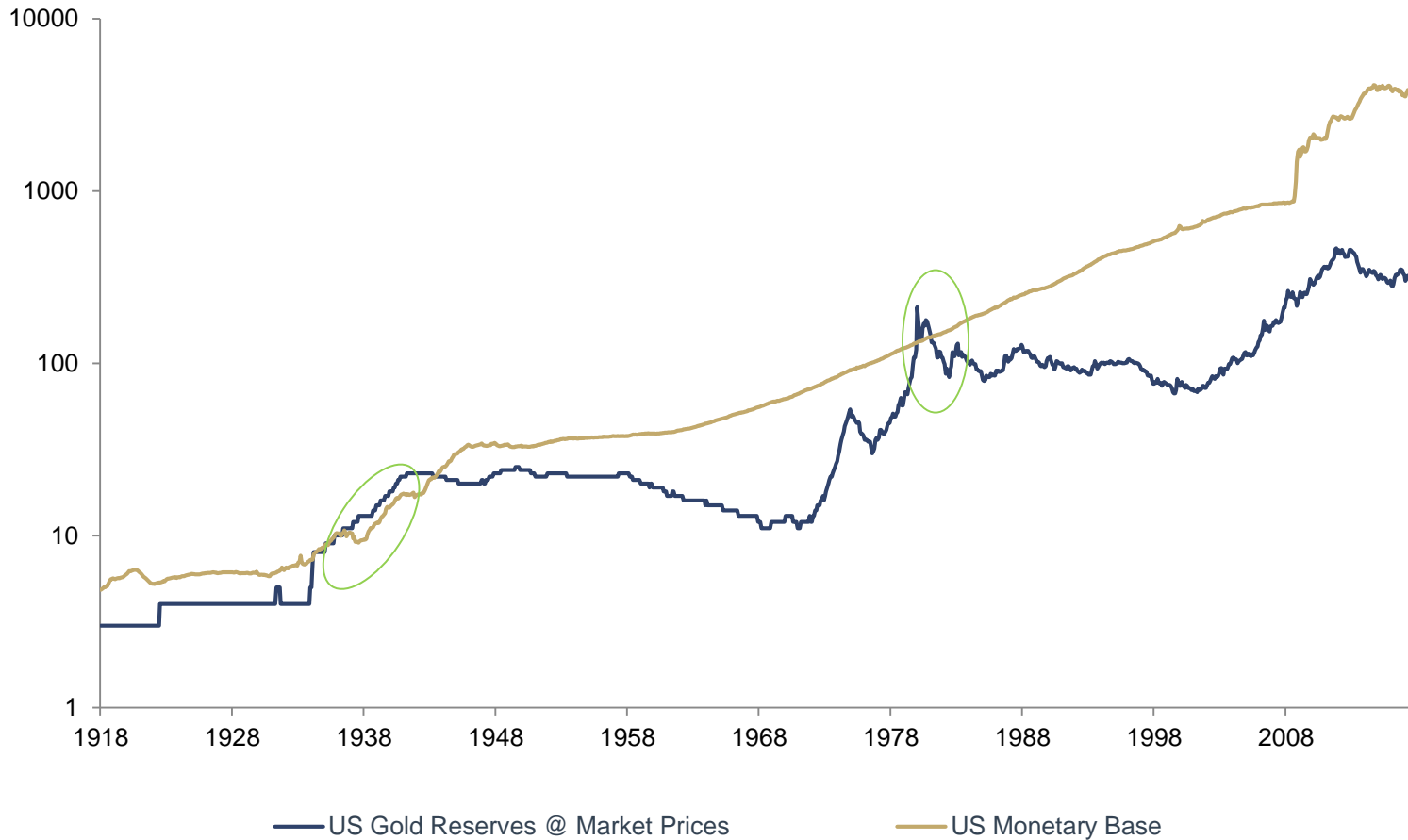
"I was recently at a conference in Washington and I presented a proposal for a gold-linked Treasury bond."

"If the next Bretton Woods conference takes place at Mar-a-Lago, I am very happy."

Back To Gold? US Monetary Coverage Ratio Close To Alltime-Lows

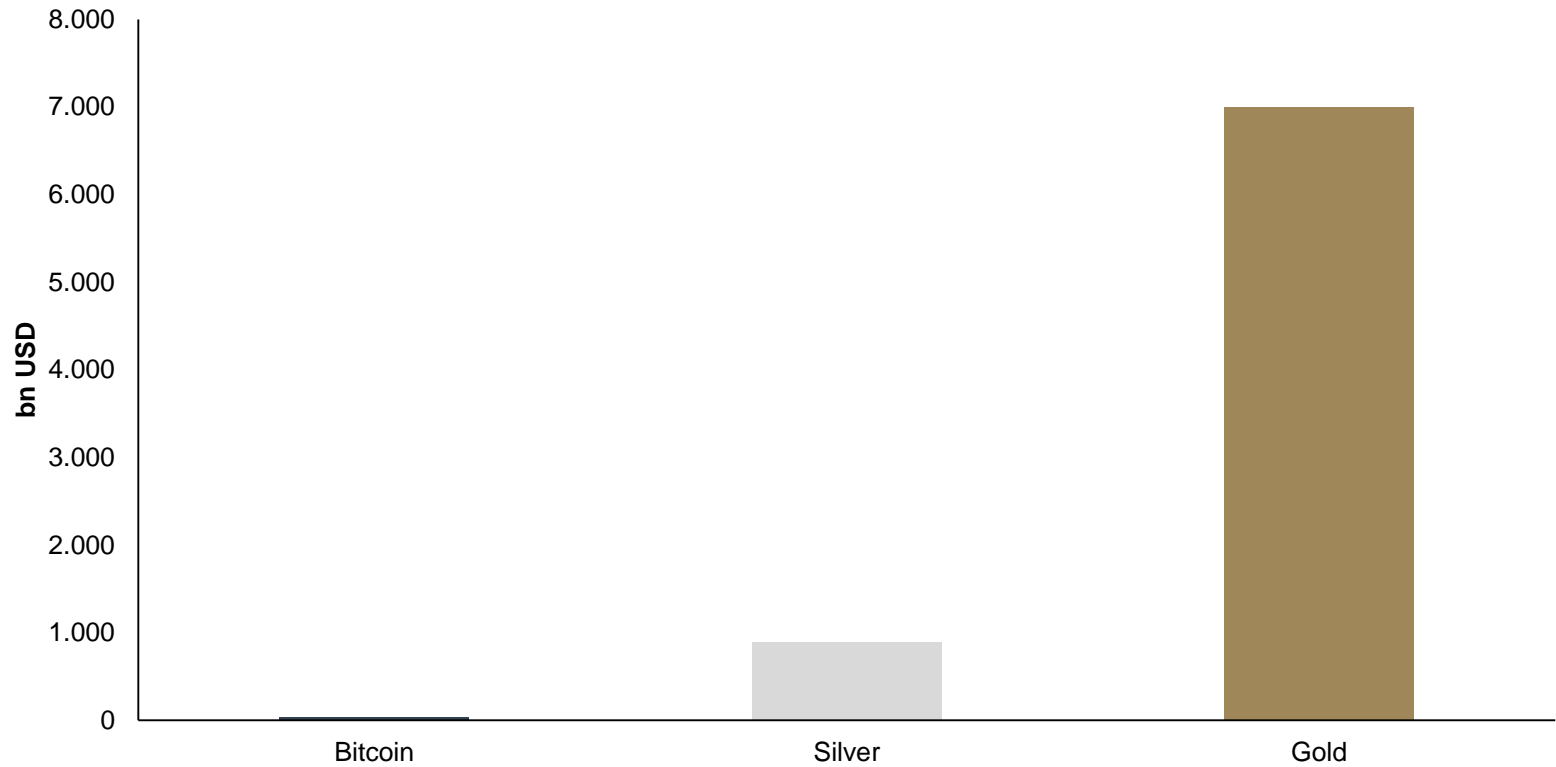


US Monetary Base Vs. US Gold Reserves At Market Prices (log scale)



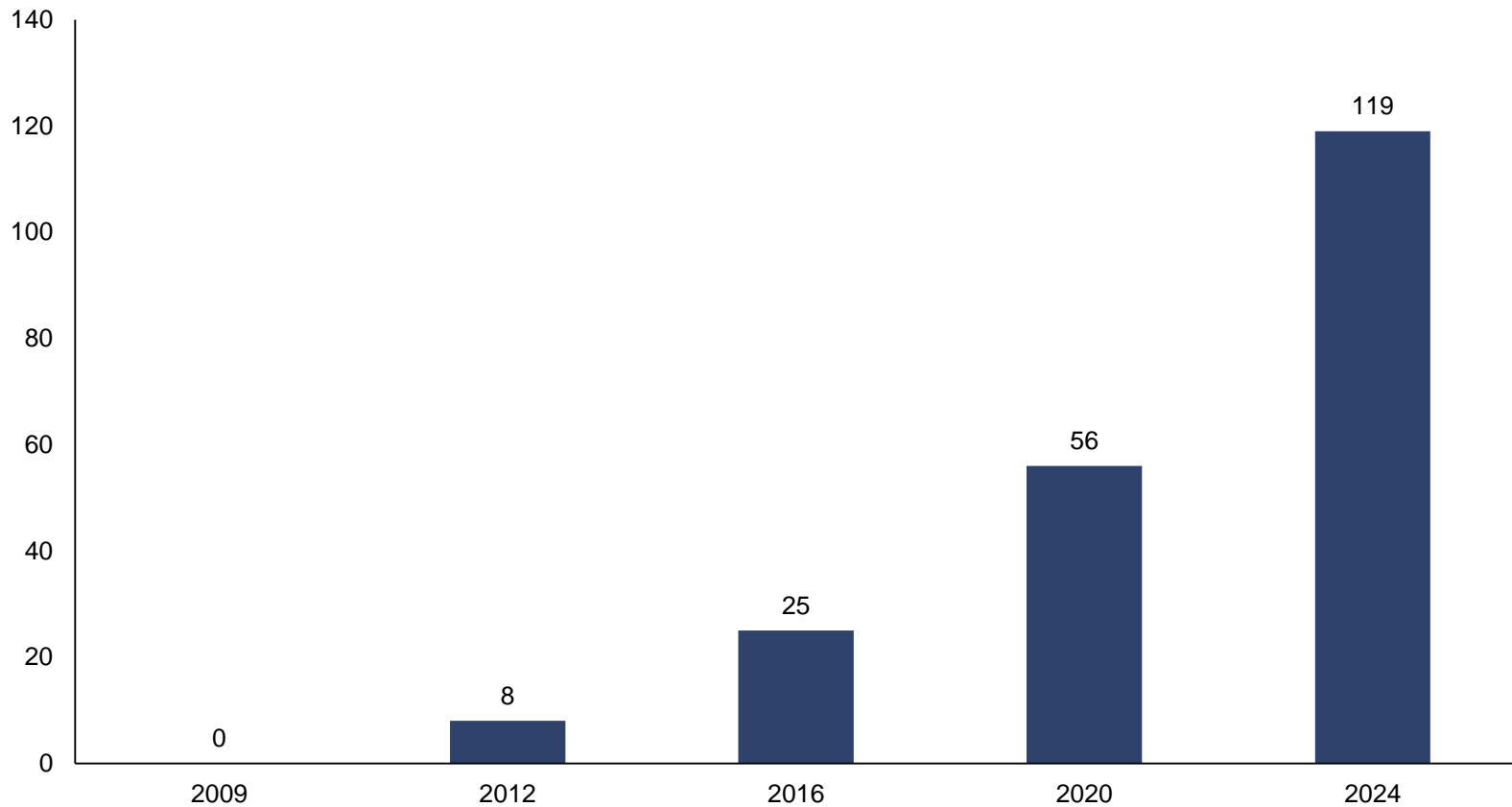
In Bitcoin We Trust (too)?

Market Capitalization: Bitcoin, Silver, Gold (bn. USD)



In Bitcoin We Trust (too)?

Bitcoin's Stock to Flow Ratio



Source: Demelza Hays, Bloomberg, Incrementum AG

Scenarios For The Gold Price

Term is characterized by	Growth	Monetary Normalisation	Gold price in USD
Scenario A: Genuine Boom	Real growth > 3% p.a.	Successful; Real Interest Rates >1.5%	700-1,000
Scenario B: Muddling Through	Growth & Inflation 1.5-3% p.a.	not completed	1,000-1,400
Scenario C: Inflationary Boom	Growth & Inflation > 3% p.a.	not completed	1,400-2,300
Scenario D: Adverse Scenario	Growth / Contraction <1.5%	Normalization paused or renewed easing	1,800-5,000

Many Thanks For Your Interest!